

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

700 North 10th Street, Room 258
Sacramento, CA 95814
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August 29, 2003

TO: LIHEAP Contractors

SUBJECT: 2004 Low-Income Home Energy Assistance Program (LIHEAP) Detailed State Plan Application

Enclosed is a copy of the 2004 Low-Income Home Energy Assistance Program (LIHEAP) Detailed State Plan Application as submitted to the U. S. Department of Health and Human Services by the Department of Community Services and Development (CSD).

On August 19, 2003, CSD held a public hearing to receive comments on the LIHEAP Detailed State Plan Application. Public comments are included in the plan.

Thank you for your efforts to assist low-income Californians with their energy needs. Should you have any questions, please contact your Field Representative.

Sincerely,

ORIGINAL SIGNED

TIMOTHY M. DAYONOT
Director

Enclosure

**State of California
Health and Human Services Agency
Department of Community Services and Development**

**LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)
STATE PLAN APPLICATION**

**DETAILED MODEL PLAN
FISCAL YEAR (FY) 2004
October 1, 2003 – September 30, 2004**

**Submitted to:
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF COMMUNITY SERVICES
WASHINGTON, DC 20447**

**GRAY DAVIS
Governor**

**GRANTLAND JOHNSON
Secretary, California Health and Human Services Agency**

**TIMOTHY M. DAYONOT
Director, Department of Community Services and Development**

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August 28, 2003

Mr. Clarence H. Carter, Director
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

Dear Mr. Carter:

Enclosed is the State of California's Low-income Home Energy Assistance Program (LIHEAP) Detailed State Plan Application for Federal Fiscal Year 2004 and the LIHEAP Household Report for Federal Fiscal Year 2003.

Pursuant to Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended, I certify that the Department of Community Services and Development (CSD) will comply with the sixteen federal assurances. A delegation letter from Governor Gray Davis is enclosed.

On August 19, 2003, CSD conducted a public hearing on the proposed LIHEAP Detailed State Plan Application, as required by federal law. Public comments are included in the plan.

Sincerely,

ORIGINAL SIGNED

TIMOTHY M. DAYONOT
Director

Enclosures

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

DETAILED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2004

**GRANTEE: State of California, Department of Community Services
and Development**

EIN: 1-94-6001347-K4

**ADDRESS: 700 North 10th Street, Room 258
Sacramento, CA 95814**

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PLEASE CHECK ONE: TRIBE _____ STATE x INSULAR AREA

**Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, DC 20447**

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01

OMB Approval No. 0970-0075

Expiration Date: 02/28/2005

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Assurances

The Department of Community Services and Development agrees to:

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to

assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) * beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

*** This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.**

Signature: _____TIMOTHY DAYONOT

Title: _____Director_____

Date: _____

*** Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.**

**** If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION of AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.**

***** HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.**

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to

Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

Statutory references

2605(a)

2605(b)(1) → Please check which components you will operate under the LIHEAP program: (Note: You must provide information for each component designated here as requested elsewhere in this plan.)

		<u>Dates of Operation</u>
(use of funds)	<u>X</u> heating assistance	<u>January through December</u>
	<u>X</u> cooling assistance	<u>January through December</u>
	<u>X</u> crisis assistance	<u>January through December</u>
	<u>X</u> weatherization assistance	<u>January through December</u>

2605(c)(1)(C) → Please estimate what amount of available LIHEAP funds will be used for each component that you will operate: The total of all percentages must add up to 100%.

(use of funds)

 ** % heating assistance ** % cooling assistance *31.82 % crisis assistance (10% reserved until March 15th)

2605(k)(1) 15 % weatherization assistance (waiver to increase to 25% after March 31st)

 10 % carryover to the following fiscal year2605(b)(9) 5 % administrative and planning costs

2605(b)(16) 5 % services to reduce home energy needs
including needs assessment (Assurance 16 is up to 5 percent)

 .08 % used to develop and implement leveraging activities (limited to the greater of 0.08% or \$35,000 for States, the greater of 2% or \$100 for territories, tribes and tribal organizations).

 100% **TOTAL**

*Government Code Section 16367.5 (State Senate Bill 558) provided the implementation of the local planning process which determines the percentage ("reasonable amount") to be allocated for crisis assistance.

**The remainder of the federal allocation will be used for the heating and cooling component (HEAP).

Statutory references

2605(c)(1)(C) ➔ The funds reserved for winter crisis assistance (alternate which have not been expended by March 15 will be use for crisis reprogrammed to:
assistance
funds)

X heating assistance
X cooling assistance
X weatherization assistance (if waiver is approved)
_____ Other(specify):

➔ Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served? (This is required by the statute.)

Yes X No _____

2605(b)(2) ➔ What are your maximum eligibility limits?
2605(c)(1)(A) (Please check the components to which they apply)
Current year guidelines must be used.

(eligibility) _____ 150% of the poverty guidelines:
heating _____ cooling _____ crisis _____ wx _____

_____ 125% of the poverty guidelines:
heating _____ cooling _____ crisis _____ wx _____

_____ 110% of the poverty guidelines:
heating _____ cooling _____ crisis _____ wx _____

X 60% of the State's median income:
heating X cooling X crisis X wx X

_____ Other (specify for each component)

_____ Households automatically eligible if one person is receiving

_____ TANF, _____ SSI, _____ Food Stamps, _____ Certain means-tested
veterans programs (heating _____ cooling _____ crisis _____ wx _____)

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Statutory references

2605(c)(1)(A)
2605(b)(2)
(eligibility)

→ Do you have additional eligibility requirements
for: **HEATING ASSISTANCE** _____ yes X no)

→ Do you use: Yes No

Assets test? _____ X

→ Do you give priority in eligibility to:

Elderly? _____ X

Disabled? _____ X

Young children? _____ X

Other: _____ X

(If yes, please describe)

Service Providers are required to submit a priority plan as an attachment to the contract. The priority plans consist of three types of categories: Energy Burden, Vulnerable Population, and Agency Defined. Providers assign prioritization points for energy burden, vulnerable populations, and agency defined categories, such as life-threatening emergencies. Priority is established by determining the energy needs of the client: calculating the energy burden for the household and determining and giving priority to the presence of vulnerable populations, such as elderly persons (60 years and older), disabled, and young children (ages 5 years or under). Providers may prioritize services to households whose members have life-threatening emergencies.

Statutory references

2605(c)(1)(A)
2605(b)(2)

→ Do you have additional eligibility requirements
for: **COOLING ASSISTANCE** (_____ yes X no)

(eligibility)

→ Do you use: Yes No

Assets test? _____ X

GRANTEE: Department of Community Services and Development

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→ Do you give priority in eligibility to:

Elderly?	<u> X </u>
Disabled?	<u> X </u>
Young children?	<u> X </u>
Other:	<u> X </u>

(If yes, please describe)

Service Providers are required to submit a priority plan as an attachment to the contract. The priority plans consist of three types of categories: Energy Burden, Vulnerable Population, and Agency Defined. Providers assign prioritization points for energy burden, vulnerable populations, and agency defined categories, such as life-threatening emergencies. Priority is established by determining the energy needs of the client: calculating the energy burden for the household and determining and giving priority to the presence of vulnerable populations, such as elderly persons (60 years and older), disabled, and young children (ages 5 years or under). Providers may prioritize services to households whose members have life-threatening emergencies.

Statutory references

2604(c)

2605(c)(1)(A)

→Do you have additional eligibility requirements for: **CRISIS ASSISTANCE** (____ yes X no)

(eligibility)

→Do you use:	<u> Yes </u>	<u> No </u>
Assets test?	<u> </u>	<u> X </u>
Must the household have received a shut-off notice or have an empty tank?	<u> </u>	<u> X </u>
Must the household have exhausted regular benefit?	<u> </u>	<u> X </u>
Must the household have received a rent eviction notice?	<u> </u>	<u> X </u>
Must heating/cooling be medically necessary?	<u> </u>	<u> X </u>

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Other (Please explain): X

Service Providers are required to submit a priority plan as an attachment to the contract. The priority plans consist of three types of categories: Energy Burden, Vulnerable Population, and Agency Defined. Providers assign prioritization points for energy burden, vulnerable populations, and agency defined categories, such as life-threatening emergencies. Priority is established by determining the energy needs of the client: calculating the energy burden for the household and determining and giving priority to the presence of vulnerable populations, such as elderly persons (60 years and older), disabled, and young children (ages 5 years or under). Providers may prioritize services to households whose members have life-threatening emergencies.

➔What constitutes a crisis? (Please describe)

CSD will use the federal definition of a crisis to operate the Crisis Program which is "weather-related and supply shortage emergencies and other household energy related emergencies".

Statutory references

2605(c)(1)(A) ➔Do you have additional eligibility requirements for:
WEATHERIZATION (___ yes X no)

(eligibility)

➔Do you use:	<u>Yes</u>	<u>No</u>
Assets test?	_____	<u>X</u>
Priority groups? (Please list)	<u>X</u>	_____

Service Providers are required to submit a priority plan, in a narrative format, as an attachment to the contract. Priority is established by determining the energy needs of the client: calculating the energy burden for the household and determining and giving priority to the presence of vulnerable populations, such as elderly persons (60 years and older), disabled, and young children (ages 5 years or under). Providers may prioritize services to households whose members have life-threatening emergencies.

➔Are you using Department of Energy (DOE) Low Income Weatherization Assistance Program (LIWAP) rules to establish eligibility or to establish priority eligibility for households with certain characteristics? _____ X

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➔If yes, are there exceptions?
Please list below.

Statutory references

2605(b)(3) ➔ Please check the outreach activities that you conduct that are designed
2605(c)(3)(A) to assure that eligible households are made aware of all LIHEAP
assistance available:

(outreach)

X provide intake service through home visits or by telephone for the
physically infirm (i.e. elderly or disabled).

X place posters/flyers in local and county social service offices,
offices of aging, Social Security offices, VA, etc.

X publish articles in local newspapers or broadcast media
announcements.

X include inserts in energy vendor billings to inform individuals of the
availability of all types of LIHEAP assistance.

X make mass mailing to past recipients of LIHEAP.

X inform low income applicants of the availability of all types of
LIHEAP assistance at application intake for other low-income programs.

X execute interagency agreements with other low-income program
offices to perform outreach to target groups.

X other (Please specify):

- ❖ Public/private partnerships with utility companies,
- ❖ Outreach to: legislative offices, community organizations, and
attendance to community outreach events,
- ❖ Referrals to CSD's programs from child care centers,
- ❖ Pamphlets,
- ❖ Toll-free telephone line,
- ❖ Include inserts with Temporary Assistance for Needy Families
(TANF) checks/mailings,
- ❖ CSD's website, and
- ❖ Contractor's website.

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Statutory references

- 2605(b)(4) ➔ Please describe how you will assure that LIHEAP is coordinated with similar and related programs. The description provided applies to all components unless specifically noted.
- (coordination)
- CSD and service providers coordinate activities with similar and related programs administered by the federal, state, and the public and private sector, particularly low-income, energy conservation related programs. Service Providers refer potentially eligible applicants, including heating and cooling, and crisis applicants, to the weatherization program, California Alternate Rate for Energy (CARE), Reduced Rate Programs (RRP), and/or to other energy or conservation programs. This is accomplished through interagency agreements, communications with pertinent agencies, one-stop centers, utility companies, and public/private partnerships. Service providers provide assistance in coordinating the payment of client's energy/utility bill with the appropriate energy vendor or utility company.
- 2605(b)(5) ➔ The statute requires that there be no difference in the treatment of households eligible because of their income and those eligible because they receive benefits under TANF, Food Stamps, SSI, or certain means-tested veterans programs ("categorically eligible"). How do you ensure there is no difference when determining eligibility and benefit amounts? This applies to all components unless specifically noted below.
- 2605(b)(2)
- 2605(b)(8A)
- (benefit levels)
- CSD ensures, through contractual service providers, that all available funds are utilized to equally assist households to meet the cost of home energy. Program eligibility is based upon a household's total monthly income, regardless of whether the household is receiving TANF, Food Stamps, SSI or Veterans Benefits. Benefit amounts are based on the number of persons in the household, total income and the cost of energy within the county where the household is located.

Statutory references

HEATING COMPONENT

- 2605(b)(5) ➔ Please check the variables you use to determine your benefit levels (check all that apply):

(determination
of benefits)

 X income
 X family (household) size

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 X home energy cost or need
 fuel type
 X climate/region

☒ individual bill
☐ dwelling type
☒ energy burden
 (% of income spent on home energy)
☒ energy need
☒ other (describe)

An Individual Utility Company Rate Survey is conducted which requests all utility companies to provide residential energy usage and cost data for each county that they provide gas and/or electricity services. This information is used to establish average county utility costs, and is factored into the heating and cooling benefit formula to determine benefit levels.

2605(b)(5)
 2605(c)(1)(B)

 (benefit
 levels)

➔ Describe how you will assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. Please describe benefit levels or attach a copy of your payment matrix.

Energy burden, energy need, and vulnerable populations, are used to determine who receives a payment. Benefit levels are determined by the heating and cooling benefit formula. Revised annually, this formula determines the amount of payment to each household. The amount is based on the number of persons in the households, total household's gross monthly income, and the climatic region (cost of energy).

Benefit levels are determined using a formula, which takes into consideration factors that include the household's size, the household's gross monthly income and energy costs within the county of residence. The formula evaluates the household's income in relation to the Federal Poverty Guidelines, as published by the Department of Health and Human Services. This evaluation of client income combined with other formula factors and considerations (i.e., energy cost) enables the CSD to establish benefits that are both proportionate to need and income level. As a result, benefits are established and structured with the highest possible benefit assigned to the poverty groups representing below and slightly above poverty.

In addition, service providers are discouraged from making payments to households with the following situations:

- 1) Households with an energy burden of five percent (5%) or less.
- 2) Households with substantial credit(s) on their utility bills.

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➔ Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits?

☐ Yes ☒ No If yes, please describe.

Statutory references

2605(b)(5)

2605(c)(1)(B)

COOLING COMPONENT

➔ Please check the variables you use to determine your benefit levels (check all that apply):

(benefit
determination)

 X income
 X family (household) size
 X home energy cost or need
 fuel type
 X climate/region
 X individual bill
 dwelling type
 X energy burden (% of income spent on home energy)
 X energy need
 X other (describe)

An Individual Utility Company Rate Survey is conducted which requests all utility companies to provide residential energy usage and cost data for each county that they provide gas and/or electricity services. This information is used to establish average county utility costs, and is factored into the HEAP benefit formula to determine benefit levels.

2605(b)(5)

2605(c)(1)(B)

(benefit
levels)

➔ Describe how you will assure that the highest benefits will go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. Please describe benefit levels or attach a copy of your payment matrix.

Energy burden, energy need, and vulnerable populations, are used to determine who receives a payment. Benefit levels are determined by the HEAP benefit formula. Revised annually, this formula determines the amount of payment to each household. The amount is based on the number of persons in the households, total household's gross monthly income, and the climatic region (cost of energy).

Benefit levels are determined using a formula, which takes into consideration factors that include the household's size, the household's gross monthly income and energy costs within the county of residence. The formula evaluates the household's income in relation to the Federal

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Poverty Guidelines, as published by the Department of Health and Human Services. This evaluation of client income combined with other formula factors and considerations (i.e., energy cost) enables the department to establish benefits that are both proportionate to need and income level. As a result, benefits are established and structured with the highest possible

benefit assigned to the poverty groups representing below and slightly above poverty.

In addition, service providers are discouraged from making payments to households with the following situations:

1) Households with an energy burden of five percent (5%) or less.

2) Households with substantial credit(s) on their utility bills.

➔Do you provide in-kind (e.g. fans) and/or other forms of benefits?

☐ Yes ☒ No If yes, please describe.

2605(b)(5)

CRISIS COMPONENT

2605(c)(1)(B)

(benefit
determination

➔How do you handle crisis situations?

☒ separate component ☐ other (please explain)

➔If you have a separate component, how do you determine crisis assistance benefits?

☐ amount to resolve crisis, up to maximum

☒ other (please describe)

The Crisis Program is limited to three activities:

(1) fast track (electric and gas) utility payments,

(2) wood, propane and oil (WPO) payments, and

(3) furnace repair and replacement (FRR).

Fast track (electric and gas) and WPO activities are mandatory only until March 15th, of the program year, but furnace repair and replacement

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activities are optional on a year-round basis. After March 15th, service providers have the option of continuing the fast track (electric and gas) and/or WPO activities, depending on local needs.

Intake for fast track (electric and gas) payments for utility activities is decentralized; however, payments continue to be centrally processed.

Funding for WPO and FRR activities are included in the contracts. Additionally, through the local planning process, service providers are required to submit proposed funding levels specifically targeted for crisis assistance to eligible households, and the duration planned, for each of the three crisis activities. There is also an additional crisis assistance factor of \$50 added to each benefit amount.

(benefit
levels)

➔ Please indicate the maximum benefit for each type of crisis assistance offered.

* Maximum benefits for fast track (electric and gas) payments range from \$132 to \$445, depending on the clients' needs.

heating \$ ____ * ____ maximum benefit

cooling \$ ____ * ____ maximum benefit

year-round \$ ____ * ____ maximum benefit

➔ Do you provide for in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

X Yes No If yes, please describe.

In the event of a weather-related or supply shortage emergency or other household energy-related emergencies, in-kind benefits (e.g. sleeping bags, socks, blankets, earthquake emergency kits) will be used to enhance crisis assistance.

Statutory references

2605(b)(5)
2605(c)(1)
(B) & (D)

WEATHERIZATION & OTHER ENERGY RELATED HOME REPAIR AND IMPROVEMENTS

➔ What LIHEAP weatherization services/materials do you provide?
(Check all categories that apply.)

(types of
assistance)

X Weatherization needs assessments/audits.

X Caulking, insulation, storm windows, etc.

X Furnace/heating system modifications/repairs

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X Furnace replacement

X Cooling efficiency mods/repairs/replacement

X Other (Please describe)

- ❖ Cooling efficiency mods/repairs (no replacement)
- ❖ Nonblower door assessments
- ❖ General Heat Waste and Safety Assessment:

- Combustion appliances safety check
- Blower door test
- Duct leakage test
- ❖ Health or safety hazard repair/replacement
- ❖ Carbon monoxide alarm
- ❖ Ceiling Insulation
- ❖ Lead safe conditions
- ❖ Electric Base Load Measures
 - Refrigerator Replacement
 - Electric water heater repair/replacement
 - Microwave oven
 - Compact Fluorescent lamps
 - Fluorescent torchiere lamp replacement
 - Evaporative cooler installation
 - Window/wall air conditioner replacement

(benefit levels)

→ Do you have a maximum LIHEAP weatherization benefit/expenditure per household? X yes _____ no

If yes, what is the maximum amount? \$ See below

The LIHEAP contract limit per dwelling is \$2,614 for allowable measures and activities. The maximum amount is increased to \$3,000 in the event a State of Emergency or Local Emergency is declared by the Governor under Article 13 or 14 of the Emergency Services Act.

In dwelling units in which the heating unit must be replaced, no more than a maximum average reimbursement of \$3,740 can be expended per dwelling unit. This limitation includes all weatherization measures installed.

In dwelling units in which the heating/cooling unit must be repaired, no more than \$1,183 can be expended per dwelling unit. This limitation does not include all weatherization measures installed.

→ Under what rules do you administer LIHEAP weatherization? (Check only one.)

(types of rules)

___ Entirely under LIHEAP (not DOE) rules

___ Entirely under DOE LIWAP rules

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X Mostly under LIHEAP rules with the following DOE LIWAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply):

X Weatherize buildings if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days

_____ Weatherize shelters temporarily housing primarily low

income persons (excluding nursing homes, prisons, and similar institutional care facilities).

_____ Other (Please describe)

_____ Mostly under DOE LIWAP rules, with the following LIHEAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply.)

_____ Weatherization not subject to DOE LIWAP maximum statewide average cost per dwelling unit.

_____ Other (Please describe.)

2605(b)(6) The state administers LIHEAP through the following local agencies:

_____ county welfare offices
X community action agencies (weatherization component only)
X community action agencies (heating, cooling or crisis
X charitable organizations
_____ not applicable (i.e. state energy office)
X other, describe:

Community Based Organizations

➔ Have you changed local administering agencies from last year?

_____ Yes X No

If yes, please describe how you selected them.

(agency designation) ➔ What components are affected by the change? N/A

2605(c)(1)(E) ➔ Please describe any additional steps (other than those described elsewhere in this plan) that will be taken to target assistance to households with high home energy burdens. (This applies to all components. If all steps to target households with high home energy burdens are described elsewhere in the plan, no further information is required here.)

(targeting of assistance)

CSD utilizes the strengths of our network of service providers and their ability to provide assistance on a one-to-one basis to overcome language

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barriers, address issues of cultural diversity, and to target the most needy clients in their communities through effective outreach. Service providers are able to proactively address the energy needs of low-income households by conducting a thorough energy needs assessment of each client, providing budget counseling and energy conservation education, and interacting with the client's utility company to establish co-payment or annualized payment plans. Whenever possible, weatherization services

are provided which represent a preventive, holistic and long-term solution to energy needs.

Statutory references

2605(b)(7)
(energy
suppliers)

➔Do you make payments directly to home energy suppliers?

Heating X yes no

Cooling X yes no

Crisis X yes no

If yes, are there exceptions? X Yes no
If yes, please describe.

For heating and cooling, and crisis, in most cases, direct payments are issued to home energy suppliers. Dual party warrants are occasionally used and are made payable to the client and the designated energy supplier. Single party warrants are used only for those clients whose utilities are included in the rent, or, sub metered. For those heating and cooling, and crisis clients whose energy source is WPO, service providers make payments directly to energy vendors on behalf of the client.

2605(b)(7)(A)

➔If you make payments directly to home energy suppliers, how do you notify the client of the amount of assistance paid? (Please describe)

Service providers advise a recipient household in writing when payments are made directly to an energy vendor for WPO on their behalf. The letter advises the client of the date, and of the LIHEAP payment amount for WPO. Service providers keep the information on file.

When a crisis, and/or heating and cooling payment has been made directly to an energy vendor, notification of payment(s) is sent to the client via an account credit letter from CSD. The energy utility company (1) shows the amount of credit with a LIHEAP payment identifier next to the amount directly on the customer's bill, and/or (2) sends a letter advising the client of the LIHEAP payment. The notification process of LIHEAP payments is reviewed during program evaluation visits made by CSD staff.

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2605(b)(7)
(B) & (C)

➔How do you make sure the home energy supplier performs what is required in this assurance? If vendor agreements are used, they may be attached. Indicate each component for which this description applies.

For heating and cooling, the energy utility company identifies (1) directly on the customer's bill, the amount of credit along with a LIHEAP payment identifier next to the amount, and/or (2) sends a letter advising the client of the LIHEAP payment.

For crisis:

- a. Regulated utilities are audited by the Public Utilities Commission (PUC) to ensure that proper billing procedures are in place and the amount of payments or credits are accurate. In addition, no modification of energy rates can occur without a public regulatory process, which is administered by the PUC.
- b. Non-regulated utilities/delivered-fuel vendors:
 1. Service providers utilize a "confirmation of payment" form whereby the utility company records the pertinent information for each client's account that was credited. Such information includes the date and the amount credited. For fast track (electric and gas), the utility company returns payment information to CSD.
 2. Service providers are required to have each home energy supplier sign an assurance agreeing to the requirements of this section. Service providers keep this information on file and clients are advised of their right to fair and equal treatment at the time of service. CSD staff ensures compliance with this provision during program evaluation visits.
 3. Service providers verify, before paying energy suppliers for all types of delivered fuels, that the charges for the services and goods provided are reasonable and within fair-market value. The amounts of these charges are reviewed during program evaluation visits made by CSD staff.

2605(b)(8)(B)

➔ Is there any difference in the way owners and renters are treated? If yes, please describe.

(owners and
renters)

HEATING ASSISTANCE

___ yes X no

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COOLING ASSISTANCE

___ yes X no

CRISIS ASSISTANCE

___ yes X no

WEATHERIZATION

X yes no

Service providers are contractually required to assure that owners and renters receive equitable treatment under the weatherization program. Service providers obtain written permission from the owner of a rental unit, or his/her agent, prior to performing any weatherization services. Such permission is recorded as a service agent agreement for rental units and is kept on file for a period of two years after weatherization work has been completed. On dwellings containing a unit occupied by an eligible household, the tenants in that unit (including households paying for their energy through their rent) are not be subjected to rent increases unless those increases are demonstrably related to matters other than the weatherization work performed.

Tenants are given a written summary of these conditions along with instructions on how to file a complaint should these conditions not be met. Service providers investigate all complaints filed and forwards a copy of all written complaints to CSD. If the complaint is a verbal complaint, service providers contact CSD with the details of the complaint (date made, date investigations began, and results). Should a complaint be found valid, service providers obtain the amount equal to the weatherization work performed on that unit from the landlord and, if previously reimbursed from CSD, remit that amount to CSD along with details of the investigation.

2605(b)(10)

(program, fiscal
monitoring,
and audit)

➔How do you ensure good fiscal accounting and tracking of LIHEAP funds? (Please describe. Include a description of how you monitor fiscal activities.)

CSD maintains fiscal controls and accounting practices in accordance with the California Uniform Accounting System. The financial management system maintains financial data and accounting records supported by source documentation for all federal funds administered. CSD's internal control structure conforms to state and federal procedures. See below for additional information.

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➔How do you monitor program activities? (Please be sure to include a description of how you monitor eligibility and benefit determination.)

Service providers are contractually required to submit bimonthly programmatic and expenditure reports to CSD. The data is entered into an automated database management system, which calculates and verifies compliance in several areas. For example, one key area checks whether the amount spent on administration is within an allowable percentage.

The reports and data are reviewed by CSD's staff for mathematical accuracy, and to ensure contractual compliance. Status reports are printed regularly for use by CSD staff. Issues needing clarification and areas of concern are more readily identified with the automated system that, in turn, allows for a more timely resolution with contractors.

Annually, Field Operations' analysts complete a desk review guide on each of the LIHEAP service providers. The review focuses on compliance with federal and state laws and regulations. If the desk review identifies contractual issues, which may be resolved without an on-site visit, service providers are contacted by telephone and/or mail. If the issues cannot be resolved by telephone and/or mail, an on-site visit is conducted, no less than every other year. On-site visits are conducted with each service provider. Service providers who are not visited on-site during any given year, are contacted by telephone, which is then followed up with a desk review report. Within 30 days of the completed on-site visit, an on-site monitoring report is prepared and sent to the service provider. The reports cover any findings identified during the review process and makes recommendations, if necessary, for improvement of their LIHEAP Program. Analysts follow up on any reviews requiring a Plan of Correction.

➔How is your LIHEAP program audited?

Under the Single Audit Act? X Yes ___ No

If not, please describe:

For States and Territories:

➔Is there an annual audit of local administering agencies? X Yes ___ No

If not, please explain.

Funds provided to the service providers are included in agency-wide audits submitted by independent CPAs. CSD reviews the audit reports for compliance and financial issues. The audits are conducted in accordance with the requirements contained in the applicable Office of Management

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and Budget (OMB) Circulars, as well as other pertinent federal and state guidelines. Audit reports submitted by service providers are required to identify funds received and expended for CSD programs by CSD contract number and program component, when applicable. Private, nonprofit entities submit the required reports within 180 days of the end of their fiscal years. Local government entities submit their reports through their cognizant agency, to the State Controller's Office, within 30 calendar days after the completion of the audit but no later than nine months after the end of the audit period.

Databases are maintained by CSD to ensure that all CSD contracts are included in the required audit reports and all audit findings are resolved.

Statutory references

2605(b)(12) ➔How did you get timely and meaningful public participation in the development of the plan? (Please describe.)

(timely and meaningful
public participation)

On May 29, 2003, the 2004 Detailed Model Plan was distributed at the LIHEAP Service Providers Committee meeting. Services providers were encouraged to participate in the development of the annual LIHEAP state plan, and were given at least 30 days to review and offer comments.

Additionally, the draft 2004 Detailed State Plan was posted on the CSD website and a copy was mailed to all of CSD's LIHEAP service providers on July 21, 2003 with an accompanying cover letter announcing the date, time, and location of the public hearing. Public notices were published in several newspapers in the north, central, and southern parts of the state. Publication of these notices were posted at least ten days before the August 19, 2003 hearing date. The public was given at least 30 days to review and offer comments before the public hearing.

2605(a)(2) ➔Did you conduct public hearings on the proposed use and distribution of your LIHEAP funds?

X Yes No When and where?

(Not required for Tribes and tribal organizations)

(public hearings)

A public hearing was held on August 19, 2003 at the Department of Community Services and Development (CSD), 700 North Tenth Street, Bado Conference Room, Sacramento, CA 95814.

Attachment One summarizes any comments received from the public hearing and CSD's responses.

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2605(b)(13) ➔Describe your fair hearing procedures for households whose applications are denied or not acted on in a timely manner. When are applicants informed of these rights?

(fair hearings)

➔Denials

Service providers shall inform, at the time of intake, all applicants of their right to appeal all claims for assistance that are denied or are not acted upon with reasonable promptness.

A. Service providers shall review all claims from applicants who are determined ineligible for benefits or who have submitted written notice that there has been an unreasonable delay in processing their application or receiving their benefits.

B. Service providers shall conduct a structured, fair, and impartial meeting within five (5) working days of the initial request for appeal and shall make a good faith effort to resolve the applicant's complaint(s) at the local level. The service provider, as contractor, shall make a written finding which sets forth the case of both parties and the decision of the service provider.

C. If the appeal is not resolved at the local level, service providers shall inform the applicant that an appeal to the State agency (CSD) may be requested as part of the Fair Hearing process and shall provide the applicant with the appropriate form.

D. If the applicant decides to appeal to CSD, the applicant shall submit a written appeal request to be received by CSD within ten (10) days from the date of the contracted service provider's final decision. Upon request from CSD, service providers shall provide all supportive documentation to be received by the State within five (5) working days.

E. Within ten (10) working days of receipt of the requested documentation from the contracted service provider, CSD staff reviews the appeal and supportive documentation, confers with the appellant and the contracted service provider if necessary, and notifies the appellant and contractor of the decision in writing.

The applicant may withdraw the appeal at any time.

If an applicant decides to withdraw an appeal, he or she may write or call the service provider or CSD depending on the location of the appeal. Should the applicant call to withdraw the appeal, CSD or the service provider must document this action and send a copy as letter of verification, to the applicant.

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If the applicant submits a written statement of withdrawal, CSD, or the service provider shall keep a written date of receipt and a copy of the statement as part of the closed file.

➔ Applications Not Acted On In a Timely Manner

Service providers shall inform, at the time of intake, all applicants of their right to appeal all claims for assistance that are denied or are not acted upon with reasonable promptness.

A. Service providers shall review all claims from applicants who are determined ineligible for benefits or who have submitted written notice

that there has been an unreasonable delay in processing their application or receiving their benefits.

B. Service providers shall conduct a structured, fair, and impartial meeting within five (5) working days of the initial request for appeal and shall make a good faith effort to resolve the applicant's complaint(s) at the local level. The service provider, as contractor, shall make a written finding which sets forth the case of both parties and the decision of the service provider.

C. If the appeal is not resolved at the local level, service providers shall inform the applicant that an appeal to the State agency (CSD) may be requested as part of the Fair Hearing process and shall provide the applicant with the appropriate form.

D. If the applicant decides to appeal to CSD, the applicant shall submit a written appeal request to be received by CSD within ten (10) days from the date of the contracted service provider's final decision. Upon request from CSD, service providers shall provide all supportive documentation to be received by the State within five (5) working days.

E. Within ten (10) working days of receipt of the requested documentation from the contracted service provider, CSD staff reviews the appeal and supportive documentation, confers with the appellant and the contracted service provider if necessary, and notifies the appellant and contractor of the decision in writing.

The applicant may withdraw the appeal at any time.

If an applicant decides to withdraw an appeal, he or she may write or call the service provider or CSD depending on the location of the appeal. Should the applicant call to withdraw the appeal, CSD or the service provider must document this action and send a copy as letter of verification, to the applicant.

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If the applicant submits a written statement of withdrawal, CSD, or the service provider shall keep a written date of receipt and a copy of the statement as part of the closed file.

Statutory references

2605(b)(15)

For States and Puerto Rico only (not applicable to Tribes and tribal organizations, or to territories whose annual regular LIHEAP allotments are \$200,000 or less):

➔ Does the State agency that administers the following LIHEAP component also administer the State's welfare program?

(alternate outreach
and intake)

HEATING ASSISTANCE

_____ Yes X No

If yes, describe alternate process for outreach and intake:

COOLING ASSISTANCE

_____ Yes X No

If yes, describe alternate process for outreach and intake:

CRISIS ASSISTANCE

_____ Yes X No

If yes, describe alternate process for outreach and intake:

2605(b)(16)

➔ Do you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance? (This assurance refers to activities such as needs assessments, counseling, and assistance with energy vendors.)

 X Yes _____ No

If yes, please describe these activities.

Service providers address the energy needs of low-income households by conducting a thorough energy needs assessment of each client, providing budget counseling, energy conservation education, and coordination with utility companies. Whenever possible, weatherization services are also provided which will represent a preventive, holistic and long-term solution to energy needs.

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Service providers maintain a source document that substantiates that the client was provided these services. The document will be kept on file by the contractor and will be reviewed during routine program evaluation visits made by CSD staff.

If yes, how do you ensure that you don't use more than 5% (statutory ceiling) of your LIHEAP funds for these activities?

Up to five percent (5%) of the total block grant is allocated specifically for Assurance 16 activities and distributed by formula to the contractor network. CSD provides a budget form for contractors to account for Assurance 16 activities.

Service providers are contractually required to submit bimonthly expenditure and activity reports to CSD. These reports are monitored cumulatively to ensure that no more than five percent is spent on Assurance 16 activities. The data is entered into an automated database management system, which calculates and verifies compliance. Status reports are printed regularly for use by CSD staff. Issues needing clarification and areas of concern are more readily identified with the automated system that, in turn, allows for a more timely resolution with contractors.

Service providers are made aware of the five percent (5%) cap, and through the local planning process, have the flexibility to submit proposed funding levels up to the five percent (5%) cap, for activities specifically targeted for Assurance 16.

Statutory references

- 2607A
(leveraging)
- ➔ Please describe leveraging activities planned for the fiscal year. **(This entry is optional.)*** Complete this entry if you plan to apply for LIHEAP leveraging incentive funds and to include in your leveraging report resources/benefits provided to low income households this fiscal year under criterion (iii) in 45 CFR 96.87(d)(2). Provide the following information for each:
- (1) Identify and described each resource/benefit;
 - (2) Identify the source(s) of each resource; and
 - (3) Describe the integration/coordination of each resource/benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii).

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HEATING AND COOLING:

CALIFORNIA ALTERNATE RATE FOR ENERGY (CARE), HOME ENERGY ASSISTANCE PROGRAM (HEAP)

In 1988, the State of California Senate Bill 987 was enacted which required the Public Utilities Commission (PUC) to establish a low-income assistance program for electric and gas customers. In compliance with this statute, the PUC established the Low-Income Ratepayers Assistance (LIRA) Program now called the California Alternate Rates for Energy (CARE) program to be administered by all regulated utilities in the State. This program provides a 15-30 percent discount on monthly energy costs of eligible low-income customers.

With the establishment of CARE, the Pacific Company dba Power and Light (PP&L), Avista Corp., and the Sierra Pacific Power Company (SPPCo), proposed and received approval from the PUC, to utilize CSD as an agent to verify eligibility for CARE in conjunction with HEAP.

Subsequently, CSD services for CARE have evolved into two distinct levels of services for utility discount programs.

Through separate contracts, CSD processes applications, verifies, and certifies that applicants are eligible for the reduced rate using the criteria established by the utility company at approximately 150% of the Federal Poverty Guidelines. CSD provides the utility company with weekly status reports and receives a listing from the company of all recipients who have changed addresses or otherwise discounted services.

CSD offers two types of contracting services to the utility companies. Listed below are the reduced rate programs that are currently being administered by CSD.

1) The Basic California Rate for Energy (CARE) contract offers application processing and telephone services. Under the Basic CARE contracts, CSD provides services for the following utility companies:

1. Avista Utilities
2. Pacificcorp Company dba Power and Light Company (PP&L)

2) The Full Service contract offers application processing, telephone services, and re-certification service to re-establish eligibility annually or biannually.

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Under the full service contracts, CSD provides services for the following utility companies:

1. City of Healdsburg
2. City of Santa Clara
3. Modesto Irrigation District (MID)
4. Sacramento Municipal Utility Department (SMUD)
5. Sierra Pacific Power Company (SPPCo)

CSD entered into contracts with PP&L, SMUD, SPPCo., and Avista Corp, City of Healdsburg, City of Santa Clara, and Modesto Irrigation District (MID), to provide verification of eligibility services for the 15-30 percent discount in coordination with HEAP. These public/private partnerships Reduced Rate Programs (RRP) generate the following benefits:

- a. The coordination of the State's HEAP outreach efforts with the utilities' marketing of HEAP, CARE and other low-income energy assistance programs have enabled CSD to significantly increase the HEAP service provision to income eligible clients (the "working poor").
- b. Because the mechanism for certification of eligibility is already in place, CSD provides the service at a minimal cost to the utilities and minimizes possible fraud and abuse within the RRP.
- c. The 15-30 percent discount provided within CARE represents accountable leveraged activity as provided in the Department of Health and Human Services Final Rule.

Customers who are interested in receiving the CARE discount can contact either CSD, their utility company, or service providers to request a copy of the application. Intake for the HEAP and the contracted basic service utility discount programs is provided at the local level through the use of CSD's LIHEAP contractor network (community services agencies), which also provides weatherization services. Customers wishing to apply for both HEAP and contracted basic service utility discount programs can do so through direct intake at the community services' agency.

CSD has written agreements with Pacific Gas & Electric, Southern California Gas, Southern California Edison, and San Diego Gas & Electric, for the purposes of ensuring coordination and referrals between CSD's Home Energy Assistance Program and the utility companies' California Alternate Rates for Energy (CARE) program. Both programs provide a form of energy assistance to low-income customers. It is mutually agreed that both parties will assist in the referral of their

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customers to the other energy assistance program through written and/or verbal advertising of the program.

The eligibility criteria for both programs are based solely on income eligibility and the guidelines are specific to each program. HEAP and CARE are similar and assistance for either program is limited to eligible low-income households.

The levels of assistance for each program vary according to their respective program. HEAP assistance levels are determined by: the amount of Federal funding; the number of persons in the household; the applicant's geographical location; and the household's income. The CARE program offers a 15-30 percent reduction off the applicant's monthly gas/electric costs or charges.

Both programs are operated year-round. HEAP provides one time assistance, per household, per program year. Applicants must reapply annually. CARE provides a continuous rate reduction throughout the year with the applicant re-certifying biennially.

Both programs are integrated/coordinated through the written/verbal referral of applicants/customers to the opposite program. Both programs have printed on their applications, or on the literature accompanying the application, the name and telephone number of the other program. In addition, marketing and outreach efforts are undertaken by both programs through the use of flyers, application/bill inserts, posters, and newsletters to promote participation of both programs.

The Community Services Agencies utilize the new California LIHEAP Automated Services System (CLASS) and/or Verification Certification Services II (VCSII) to process the HEAP and Basic CARE applications for assistance. Once an application is processed and determined eligible, CSD provides PP&L, SPPCo., Avista Corp, SMUD, City of Healdsburg, City of Santa Clara, and MID, computer discs or computer printouts each week containing a listing of all applicants determined eligible for the discount rate. The utility company then applies the 15-30 percent discount to the eligible customers' accounts.

CSD also maintains toll-free "800" telephone lines for use by applicants to inquire about the LIHEAP and utility sponsored low-income discount programs. The rate discount is a non-federal resource which benefits federally qualified low-income households, as described in Section 2605(b)(2) of Public Law 97-35. The discount is both measurable and quantifiable. The above contracting utilities maintain detailed records on the number of utility customers on RRP, as well as, the actual amount of the discount per eligible customer. The discount represents a net addition to the total home energy resources available to low-income households and is coordinated and integrated with the LIHEAP/HEAP Program.

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CSD anticipates entering into an agreement covering the same integrated/coordinated services with both Southern California Edison Company and Southwest Gas.

CRISIS COMPONENT:

ENERGY CRISIS INTERVENTION PROGRAM (ECIP)

There are a number of leveraging activities occurring within HEAP/ECIP, which is administered through a network of community action agencies and community-based organizations throughout the State.

A number of CSD's LIHEAP service providers coordinate HEAP/ECIP with the Pacific Gas & Electric Company (PG&E)/Salvation Army REACH Program. The REACH Program is similar to HEAP/ECIP in that it provides utility payments on behalf of eligible low-income households

within the PG&E service area and is funded with ratepayers' money. In fact, prior to receiving REACH assistance, the customer must first apply for LIHEAP. REACH eligibility is similar to HEAP/ECIP.

Several of CSD's LIHEAP service providers administer HEAP/ECIP in conjunction with REACH by coordinating an HEAP/ECIP payment with a REACH payment for each LIHEAP-eligible household. In most cases, the HEAP/ECIP payment alone is not enough to avoid a utility shut-off, but with the additional REACH payment, shut-off is avoided.

Other LIHEAP service providers HEAP/ECIP programs work in direct conjunction with REACH by maintaining ongoing communication with the local REACH office to screen potential clients and coordinate benefits. Applicants to both programs are screened to determine if any benefits have already been received by the applicant from either source. References to this working relationship are found in the operating manuals of both programs.

The City of Riverside, United Way, American Red Cross, Southern California Edison Company, Southern California Gas Company, Sierra Pacific Power Company, and Avista Corp also provide funds to several of CSD's LIHEAP service providers for payments to utility providers on behalf of LIHEAP-eligible households and for energy repairs to heating and cooling units.

City and County funded energy assistance contracts are also provided to several of CSD's LIHEAP service providers throughout California. The cities and counties provide these funds for utility deposits and utility bill assistance payments to utility companies on behalf of LIHEAP-eligible households.

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To ensure that low-income households have year-round access to energy assistance and that the greatest number of low-income households receive assistance, local agencies have coordinated the services provided under LIHEAP with local private and public energy assistance programs. The coordination of these programs enables the local agencies to expand emergency services to families who otherwise would not receive assistance through LIHEAP due to insufficient funds.

Donations of cords of firewood are being made to several LIHEAP service providers. These donated cords of wood have been coordinated and integrated with the HEAP/ECIP Program. The distribution of donated wood is determined by the HEAP/ECIP Intake Worker. The wood is allocated to HEAP/ECIP eligible households either to supplement fuel payments made with State LIHEAP funds or to provide fuel to eligible households who are not otherwise assisted due to a lack of LIHEAP funds.

ECIP funds can also be used for furnace repair or replacement. Many of CSD's LIHEAP service providers receive discounts on furnace purchases which are installed in LIHEAP-eligible homes. Savings from the discounts allow for additional eligible households to receive ECIP assistance.

In addition, several of CSD's LIHEAP service providers receive discounts for services rendered. Specifically, vendors waive service-call fees for the repair and replacement of heating units and reduced labor charges for the installation of furnaces.

WEATHERIZATION

There are many countable leveraging activities occurring within the LIHEAP Weatherization Program. Several of CSD's LIHEAP service providers are provided funds through contracts with private and municipal utility companies, as well as City and County funded contracts to weatherize LIHEAP-eligible households. The sources of these leveraged cash resources are Avista Corp., Pacific Gas and Electric Company, Sacramento Municipal Utility District, Sierra Pacific Power Company, Southern California Gas Company, Southern California Edison Company, San Diego Gas and Electric Company, Southwest Gas Company, Pacific Power and Light Company, City of Berkeley, City of Riverside, Modesto Irrigation District and City and County funded contracts. Because cash resources are administered by the same agencies that provide LIHEAP weatherization services, these funds allow for the weatherization of more LIHEAP eligible households than is possible with LIHEAP funds alone. In addition, utility companies utilize a bid process to identify administering agencies. CSD LIHEAP-funded agencies are successful in the bid process largely due to their experience in providing weatherization

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services under the LIHEAP Program and because they are a known entity within the low-income community.

Some LIHEAP-eligible households may have their gas appliances and/or evaporative coolers repaired or replaced by the Southern California Gas Company, Southern California Edison Company, City of Visalia, or Pacific Gas and Electric Company if they also qualify under that utility company's program. This resource is coordinated with LIHEAP because eligible households are identified as needing repairs or replacement of appliances during the time the dwelling is assessed for LIHEAP weatherization services.

Pacific Gas and Electric Company, Sacramento Municipal Utility District, Southern California Gas Company, Southern California Edison Company, and the California Energy Commission provide for the purchase and installation of appliances and the donation of space heating devices and blankets which are used in LIHEAP-eligible dwellings for the purpose of

heating or cooling. Additionally, utility companies use a bid process to identify administering agencies. Many CSD LIHEAP service providers are successful in the bid process due to their technical ability honed through years of experience in performing home weatherization services.

Many of CSD's LIHEAP service providers receive discounts on purchases of weatherization materials that are installed in LIHEAP-eligible homes. Savings from the discounts allow for additional eligible dwellings to be weatherized.

Several of CSD's LIHEAP service providers manufacture their own weatherization materials at a discounted price. Materials manufactured in-house at cost, enables these agencies to weatherize additional LIHEAP-eligible homes.

Several of CSD's LIHEAP contractors receive discounts for services rendered. Specifically, vendors waive service-call fees for the repair and replacement of heating units and reduce labor charges for installing certain weatherization measures in LIHEAP-eligible homes. Savings from these discounts are utilized to weatherize additional eligible homes.

There are also CSD LIHEAP contractors who contribute corporate cash funds generated from non-federal sources to the LIHEAP Weatherization Program, to weatherize additional homes, provide emergency repairs and for utility bill assistance.

Southern California Gas Company, Southern California Edison, Pacific Power and Light, Southwest Gas Corporation and Pacific Gas and Electric

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Company provide funds to conduct post-inspections of weatherization measures installed by LIHEAP service providers. These inspections are required by the LIHEAP Program to ensure the correct and safe installation of weatherization materials.

Volunteers assist LIHEAP service providers in the installation of weatherization materials in LIHEAP eligible households.

Several LIHEAP service providers secure private and utility company funding to install, replace and/or repair smoke/fire alarms/carbon monoxide detectors in LIHEAP-eligible dwellings, when necessary for safe operation of a home heating or cooling system that was installed or repaired during weatherization performed with LIHEAP and utility funds.

One LIHEAP service provider secures donated paid staff services from local government offices to assist with the installation of weatherization measures.

Several LIHEAP service providers have secured property management companies and/or private landlords to provide minor home repairs as a pre-requisite for the installation of weatherization measures. In addition, property management companies and/or private landlords donate furnaces, hot water heaters, evaporative water coolers, windows and weatherization materials used to provide additional weatherization measures and to repair walls after the installation of weatherization measures in LIHEAP-eligible households.

Several LIHEAP service providers secure private and utility company funding to perform asbestos removal when it is necessary to allow for the safe weatherization of low-income households.

CSD contractors are conducting pre-weatherization home energy audits to determine if a dwelling qualifies for weatherization and, if so, to identify the type of weatherization measures that are the most cost effective to install. As a result of these audits, qualified homes are weatherized. This aids low-income households in lowering energy usage and energy costs.

California Low-Income Home Energy Assistance Program (CAL-LIHEAP)

On April 11, 2001, in response to California's energy crisis, Governor Gray Davis signed Senate Bill 5X, which appropriated to the Department of Community Services and Development \$120 million from the State General Fund, to implement a new California Low-Income Home Energy Assistance Program (CAL-LIHEAP). These funds were to be used for the purpose of supplementing the federal Low-Income Home Energy Assistance Program (LIHEAP) and to increase participation in the

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LIHEAP program. CAL-LIHEAP was designed to (1) increase energy conservation and reduce demand for energy services in low-income households, and (2) assure that the most vulnerable households cope with high-energy costs. CAL-LIHEAP program components include weatherization and conservation services, energy crisis intervention services and cash assistance payments. Eligible clients can receive assistance under both programs. Under the CAL-LIHEAP Weatherization component, service providers spend the maximum amount of funds for weatherization assistance, but in no event less than 50 percent of the funds available by grantee. The balance is used for cash assistance and energy crisis intervention.

CAL-LIHEAP and LIHEAP coordinate with one another consistent with the following conditions in 45 CFR 96.87 (d) (2) (iii):

(A) CAL-LIHEAP assistance supplements LIHEAP assistance that was not sufficient to meet the household home energy needs.

(B) CAL-LIHEAP assistance is provided to those clients who are ineligible for LIHEAP assistance, if those clients meet the eligibility requirements for CAL-LIHEAP.

(C) CAL-LIHEAP receives referrals from LIHEAP, whereby, if CAL-LIHEAP assistance is available and the referred client meets the eligibility requirements, CAL-LIHEAP provides assistance to the LIHEAP referred client in their home energy needs.

CAL-LIHEAP and LIHEAP service providers throughout the State have the flexibility to choose one or all of the above stated conditions to integrate and coordinate the two programs in an effort to best maximize the effectiveness and impact of the two programs on California's low-income home energy needs.

DISTRIBUTION OF LEVERAGING FUNDS

CSD includes leveraging funds in the base for calculation of maximum State planning and administration costs, but leveraging incentive funds are not used for the costs of planning and administration, or for transfer to other Department of Health and Human Services block grants.

* Leveraged resources/benefits that are counted under criterion (iii) in 45 CFR 96.87(d)(2) must be identified and described in the grantee's LIHEAP plan and distributed as indicated in the plan. In addition, leveraging resources/benefits that are counted under criterion (ii) must be carried out under one or more components of the grantee's regular LIHEAP program.

2605(b) ➔ Please describe performance goals and measures planned for the fiscal year. **(This entry is optional.)** N/A.

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ADDITIONAL CERTIFICATIONS AND REQUIREMENTS

Attached are additional certifications required as follows:

- * Lobbying certification, which must be filed by all States and territories. If applicable, Form LLL, which discloses lobbying payments, must be submitted. **(Tribes and tribal organizations are EXEMPT)**
- * Debarment and suspension certification, which must be filed by all grantees.
- * Drug-free workplace requirement certification, which must be filed by all grantees, unless the grantee has filed a statewide certification with the Department of Health and Human Services. **STATES ONLY:** If you have filed a statewide certification for the drug-free workplace requirement, please check here: __
- * One of the new requirements included in the 1994 reauthorization of the statute is that grantees must include in their annual application for funds a report on the number and

income levels of households applying for and receiving LIHEAP assistance, and on the number of recipient households that have members who are elderly, disabled, or young children.

All Tribes and those territories with allotments of less than \$200,000 need only submit data on the number of households served by each component (heating, cooling, weatherization and crisis). The approval for the collection of information contained in the **LIHEAP Household Report** is covered by OMB approval number 0970-0060. This approval number expires October 31, 2003.

- * Though not a part of this application, the report on funds to be carried over or available for reallocation as required by section 2607(a) for the preceding year must be submitted by August 1 of each year. A grant award for the current fiscal year may not be made until the carryover/reallocation report is received. The approval for the collection of information contained in the **LIHEAP Carryover and Reallocation Report** is covered by OMB approval number 0970-0106. This approval number expires November 30, 2004.

ATTACHMENT ONE: PUBLIC HEARING COMMENTS AND RESPONSES

The Public Hearing for the LIHEAP Detailed State Plan was conducted on August 19, 2003.

COMMENTS

A comment was received regarding Statutory reference 2605(b)(6), page 19, which reads: "The State administers LIHEAP through the following local agencies:" The department identified only community action agencies (CAAs).

The recommendation was made to check the following three categories, which most appropriately identify the local agencies:

☒ community action agencies (CAAs)
☒ charitable organizations
☒ other:
 community based organizations (CBOs).

Received from:
Zigmund Vays,
President
Community Enhancement Services

RESPONSES

CSD agrees that historically, the department has administered LIHEAP through both CAAs, and community based organizations (CBOs). Additionally, since most of the CBOs are recognized by the State Franchise Board as charitable trusts, the recommendation to identify the following three categories as local agencies on the 2004 LIHEAP Detailed State Plan Application has been accepted:

☒ community action agencies (CAAs)
☒ charitable organizations
☒ other:
 community based organizations (CBOs).

ATTACHMENT TWO: NOTICES OF PUBLIC HEARING

- CSD's Website
- Notice mailed to all LIHEAP Contractors
- Public Notice posted in the newspapers:
 - Sacramento Bee
 - Eastern Group Publications

ATTACHMENT THREE: HEARING TRANSCRIPT

- Peters Shorthand Reporting Corporation

**ATTACHMENT FOUR: LIHEAP HOUSEHOLD REPORT-FEDERAL FISCAL YEAR
2003 – LONG FORMAT**

- Estimated Report.

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature

Director

Title

Department of Community Services and Development
Organization

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.
2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies.
4. For grantees who are individuals, Alternate II applies.
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).
7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).
8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about --

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of

convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted --

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)
Community Services and Development, 700 N. 10th Street, Sacramento, CA 95814 –AND All Contractors Statewide

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.